

5/04/2018 Uptrend. Nasdaq jumps 1.7% Friday for a Major Accumulation week.
Friday

Volume 17 #86

**ARMCHAIR INVESTOR^(sm) MORNING
MARKET NEWSLETTER**
A TREND-FOLLOWING STRATEGY



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The market is in UPTREND

The Week: The Nasdaq ended the week with a significant rise for Friday and the week. The week's higher volume made the week with Accumulation. The S&P500 was almost flat for the week.

The Nasdaq continues to outperform the S&P500. The higher volume on both indexes means the Nasdaq's up was a Major Accumulation day. The S&P500's drop with higher volume tagged it with a distribution week.

LAST WEEK'S MARKET ACTION

5/4/2018	Weekly Index % Change	Weekly Volume % Change	Volume Above/ Below 10-week Avg	Type of Week
Nasdaq	+1.3%	+3.5%	-1.0%	Major Accumulation
S&P 500	-0.2%	S&P 500 Volume		Minor distribution
NYSE	-0.8%	+8.1%	+15.0%	Minor distribution
DJIA	-0.2%			Minor distribution

The "TYPES OF WEEK" are:

ACCUMULATION WEEK PRICE RISES 0.2% or more and VOLUME RISES

DISTRIBUTION WEEK PRICE FALLS 0.2% or more and VOLUME RISES

Another type of DISTRIBUTION(*): WEEK PRICE FALLS 0.2% or more & VOLUME is 15% or more above average even without an increase in volume.

The NYSE volume is used for the S&P500 and NYSE Composite.

I am most excited that both major indexes closed very close to their 10-week moving averages on Friday. Both indexes show higher lows over the last 5 weeks. **That rise of the lower support is encouraging.** Download the full Armchair Investor newsletter to see the support lines I have drawn in the daily and weekly charts of the Nasdaq and S&P500. Impressive. Now we need continued buying to push the Accumulation/ Distribution ratings back up to the B or A level to show broadening buying.

Investors in individual stocks may benefit from two important rules about buying stocks breaking out of bases. These rules apply specifically to two HOT STOCKS that broke out on Thursday.

Read about the two breakout stocks and the rules in the “**FOR INVESTORS IN INDIVIDUAL STOCKS**” section near the end of this FULL newsletter.

[To open the FULL ARMCHAIR INVESTOR NEWSLETTER, click here](#)

Then click on [CURRENT NEWSLETTER](#).

Friday: After an unexciting Federal Reserve Open Market Committee announcement (no change in interest rates), the market jumped to life on Friday.

Did you watch any of the Berkshire Hathaway shareholders meeting broadcast live from Omaha? Warren Buffet famously has said he wouldn't buy a company whose technology he didn't understand. But Friday Buffet disclosed BH has already made a major purchase in Apple and Apple's stock rose 13% Friday. Perhaps this is a piece of good news that could wake up this droopy market.

Do you wonder how much of the total dollar value of the Nasdaq is Apple or Amazon or Google?

- Apple's market capitalization is 7.1% of the Nasdaq.
- Amazon's market capitalization is 5.8% of the Nasdaq.
- Both A and B shares of Google added together make up are 11.1% market capitalization of the Nasdaq.

How do I have such valuable statistics at my fingertips? Just look at the daily “What's the Market Trend” page in investors.com.

- The 50 largest stocks in the Nasdaq are listed on the Nasdaq chart by market cap.
- The 30 stocks in the Dow Jones Industrial Average are also listed.

The “Market Trend” page includes charts and other very valuable information such as:

- The “Top and Worst Industry Groups,”
- The Daily “Put vs Call Ratio” and
- The Accumulation/ Distribution rating for each index (listed on each chart.)

You can download the Market Trend page each day by clicking on the link at the bottom of each daily Big Picture column.

The S&P500 Accumulation/Distribution ratings fell Friday with its distribution day.

- The S&P500 Distribution rating fell another notch to the lowest possible rating of E.
- The Nasdaq has a Distribution rating of D-.
- There is significant profit taking in markets have been sold off since the January 26, 2018 highs.

IBD's "Market Under Pressure" call makes some sense in this market but I'm not quite ready to go there. **Whatever this market is called, watch your stocks carefully and exit when distribution shows up. No matter how much you believe in companies and their stock, they all go down sometime.**

WOW! From the first quarter 2016 lows to the March 2018 highs, the markets created an amazing win for investors:

- The Nasdaq rose 81.4%
- The S&P500 rose 58.7%

It is not surprising there is some significant profit taking (selling) in the market today. The institutional investors know that if they take those profits gently, carefully, secretly, stealthily, they can squeeze more out of the average retail investor.

>>>Thus, the sideways market with D- distribution ratings.

The winning stocks are out there. Your job is to hunt them down, make smart purchases and exit quickly when they catch the distribution flu. I will not argue with any individual investor who chooses to wait out this sideways period.

DAILY MARKET ACTION						
5/4/18	Index Close	Index % Change	Volume % Change	Volume vs 50-day Avg.	Accumulation or Distribution Day?	Recent Trend Gain/Loss from 4/10/2018 UPTREND SIGNAL
Nasdaq	7,209.62	+1.7%	-12.7%	-5.3%	Neither	+2.2%
S&P500	2,663.42	+1.3%	NYSE Volume		Neither	+0.7%
NYSE	12,493.35	+0.8%	-13.7%	-5.1%	Neither	-0.1%
DJIA	24,262.51	+1.4%			Neither	-0.0%

I am watching this market for the next directional move :

- Both major indexes, the Nasdaq and S&P500, are getting pinched between their 50-day and 200-day moving averages. As the moving averages get closer together, the market will have to decide if it will breakout to the upside or the downside. ***I plan on being a participant in that market, whichever way it goes.***

WINNING LEADER STOCKS CONTINUE TO OUTPERFORM LOSING LEADERS.

- Thursday's "Leaders Up in [High] Volume" were 8 versus
- "Leaders Down in [High] Volume" at 5.

You can read IBD's interest rate curve article at: [The Big Squeeze: Why the Stock Market's Bull Run Faces Its Biggest Threat In Years](#)

Here are few negative aspects of this market_

- Both major indexes spending too much time below their 50-day moving averages. If prices are that cheap, why aren't the institutions buying more?
- The percent of stocks with A or B accumulation ratings dropped to 7% over the last few down days. With 5 categories (A B C D E) an even market would have 20% in each. A rising market would have a higher A and B percentages.
- The Leaders' Up/Down ratio is a low 1.2 ratio (1.5 is a minimally healthy ratio.).

How did the indexes get such low Acc/Dist ratings? Stealth selling:

A STEALTH SELLING LESSON

Some of this selling is what I call **“stealth” selling – an indicator that institutions are quietly exiting some of their positions**. You can see stealth selling when:

- The stock or index stays flat or rises, and the price-volume action is not matched many to a flat environment:
 - Many of the DOWN days have HIGHER VOLUME and
 - Many of the UP days have LOWER VOLUME.

ARE YOUR STOCKS UNDER “STEALTH SELLING?”

- **Check here:**
 - Did the price of your stock end the week unchanged or rise?
 - But the Accumulation/Distribution rating is falling?
- **On a daily basis**, do you see:
 - Falling days with high volume (distribution) and
 - Rising days with low volume (lack of support).
- **Is your stock's Acc/Dist rating out of whack with its price?**
 - Is your stock at or near an all-time high?
 - But its Acc/Dist is a D or E?

Institutions can sometimes cover their selling with this stealth buying techniques, but they know this is a short-term solution to exiting stocks that are near 9-year highs.

I strongly suggest you track the Acc/Dist rating of each stock you own on a weekly basis (if not daily). If you find you own a stock under stealth selling, consider exiting more quickly.

The Market is in UPTREND

And..... We still need Volume! Without volume there is an underlying

weakness to the market. And I am buying smaller positions and buying more cautiously.

Markets usually take off vigorously at the beginning of a new Uptrend but this one is IS NOT.

The MARKET FACTORS, COUNTS & RATINGS table (in the full newsletter) is showing less green (uptrend indicators).

TREND-FOLLOWING ACTION: With the market diagnosis as “Uptrend”, you have two Trend-following actions to take:

- Hold an Uptrend ETF such as the QQQ, QLD and TQQQ.
- Cover any individual stocks you have shorted.

**REMEMBER:
THE MARKET CONTINUES IN THE DIRECTION IT'S GOING
UNTIL IT DOESN'T.**

THE ARMCHAIR INVESTOR strategy is SIMPLE:

- **Be in the market when it is going up.**
- Be out or (or short) the market when it is going down.
- Protect yourself with an 8% stop.

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www.ArmchairInvestor.com

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Uptrend ETFs	Armchair Investor Trend-following Returns for Current Uptrend			
5/4/18	Opening Price on 4/12/2018	Today's Price	ETF % Change Today	GAIN OR LOSS SINCE 4/10/2018 UPTREND SIGNAL
QQQ (1x)	160.2	164.87	+1.9%	+2.9%
QLD (2x)	76.02	80.1	+3.8%	+5.4%
TQQQ (3x)	142.6	153.58	+5.6%	+7.7%

The ETF QQQ is designed to move WITH the largest 100 stocks on the Nasdaq. QLD is designed to double the price move of the QQQ. The TQQQ is a more volatile Visit Proshares.com for more information.

MARKET ACTION 2018 YEAR-TO-DATE			
5/4/18	2017 Closing Price	Current Price	Index % Change Year-to-Date
Nasdaq	6903.39	7209.62	+4.4%
S&P 500	2673.61	2663.42	-0.4%
NYSE Comp	12,808.84	12,493.35	-2.5%
DJIA	24,719.22	24,262.51	-1.8%

This yearly table is included for your reference. These returns have little relevance to trend-following returns since trend-followers do not hold during "Downtrends" and may lighten their holdings during "Uptrends under Pressure."

PROGRESS IN ACCUMULATION/DISTRIBUTION RATINGS						
		A	B	C	D	E
4 weeks ago	4/6	7%	33%	26%	24%	11%
3 weeks ago	4/13	8%	34%	25%	23%	10%
2 weeks ago	4/20	9%	37%	25%	21%	9%
1 week ago	4/27	8%	34%	25%	23%	10%
Today	5/4	7%	32%	25%	25%	11%

Stocks with an A or B rating are under accumulation (being bought.)
 Stocks with a D or E rating are under distribution (being sold).
 "2 weeks ago" is 10 market days ago; "4 weeks ago" is 20. The ratings which are higher than two weeks prior are colored light GREEN. Lower ratings are PINK.

I have moved the MARKET FACTORS, COUNTS & RATINGS table (below) closer to the beginning of the newsletter because I believe you will find it valuable.

MARKET FACTORS, COUNTS & RATINGS		5/4/2018	
Type of DAY for <u>Nasdaq</u> Accumulation, Distribution or Neither		Neither	
Market Direction Uptrend, Under Pressure, Downtrend, or Attempted Uptrend		UPTREND	
Nasdaq Accumulation & Distribution Days 20-day count		Accumulation Days 5	Distribution Days 4
Count of Up Days and Down Days 10-days on the Nasdaq		Up Days 2	Down Days 5
Days that do not move at least 0.2% are not included in the Up/Down count which does not, therefore, add up to 10 days.			
Leaders Up/Down with High Volume 10-day ratio		1.2	
This indicator looks at leading stocks (high RS) and is, thus, biased to the upside. Uptrend indicator: 1.5 or higher. Neutral: 1.0 to 1.49. Downtrend: less than 1.0			
Market Accumulation/Distribution Ratings "A": heavy accumulation, "B": moderate accumulation, "C": neutral, "D": moderate distribution, "E": heavy distribution. Accumulation = Institutions are BUYING, Distribution = Inst are SELLING		Nasdaq S&P 500 DJIA	D- E D-
Are Major Indexes Above or Below Moving Averages? "At" is within 1% above or below the moving average.		50-Day 200-Day	200-Day
Nasdaq		At	Above
S&P 500		At	At
NYSE		At	At
DJIA		At	Above

HOW CLOSE ARE THE INDEXES TO ALL-TIME HIGHS?				
5/4/2018	Nasdaq	S&P500	NYSE	DJIA
Date of Index All-time High	3/13/2018	1/26/2018	1/26/2018	1/26/2018
All-time High	7537.27	2872.87	13637.02	26616.71
Current Price	7209.62	2663.42	12493.35	24262.51
Below (-) or Above (+) Recent High (%)	-4.3%	-7.3%	-8.4%	-8.8%
Below (-) or Above (+) Recent High (#)	-327.65	-209.45	-1143.67	-2354.20

LAST WEEK'S MARKET ACTION				
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S&P 500	-0.2%	+8.1%	+15.0%	Minor distribution
NYSE	-0.8%			Minor distribution
DJIA	-0.2%			Minor distribution
<p>The "TYPES OF WEEK" are:</p> <p>ACCUMULATION WEEK PRICE RISES 0.2% or more and VOLUME RISES</p> <p>DISTRIBUTION WEEK PRICE FALLS 0.2% or more and VOLUME RISES</p> <p>Another type of DISTRIBUTION(*): WEEK PRICE FALLS 0.2% or more & VOLUME is 15% or more above average even without an increase in volume.</p> <p>The NYSE volume is used for the S&P500 and NYSE Composite.</p>				

Nasdaq Daily chart, 3 months

The Nasdaq daily price closed slightly above 50-day moving average.
Notice the **recent rising lows**.



Nasdaq Weekly chart, 1 year

The Nasdaq weekly also closed slightly above 10-week m.a.s.
Notice **the three higher lows** over the last five weeks.



These charts are from StockCharts.com, a valuable site for investors with many free tools.

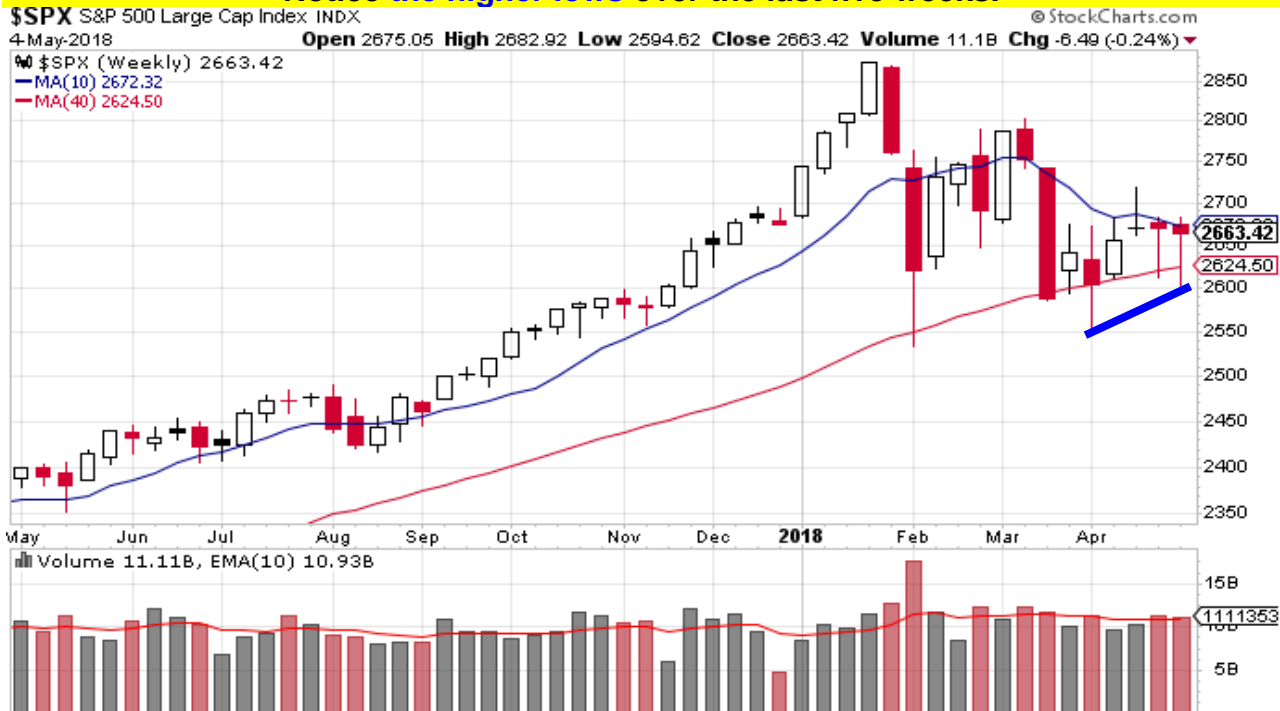
S&P500 Daily chart, 3 months

The S&P500 rises and is slightly below its 50-day moving average. Notice the recent rising lows.



S&P500 Weekly chart, 1 year

S&P500 weekly rallies to just under its 10-week moving average. Notice the higher lows over the last five weeks.



These charts are from StockCharts.com, a valuable site for investors with many free tools

MARKET ACTION (Nasdaq) OVER THE LAST 20 DAYS

(For a full explanation of the terms in this table see end of this newsletter)

#	Date	Close	Index % Change	Volume % Change	Current Trend Day Count	Type of Day: Accumulation, Distribution or Neither (—)	CONSISTENT WITH: UPTREND or Downtrend?
THE COLOR OF THE "CURRENT TREND DAY COUNT" tells you the current market direction: Red = Downtrend, Yellow = Uptrend under Pressure, Green = Uptrend							
20	4/9/18	6950.34	+0.5%	-11.6%	9	—	DOWNTREND
19	4/10/18	7094.30	+2.1%	+8.3%	1	Major Accumulation day <i>Market moves into UPTREND</i>	UPTREND
18	4/11/18	7069.03	-0.4%	-19.7%	2	—	UPTREND
17	4/12/18	7140.25	+1.0%	+10.8%	3	Major Accumulation day	UPTREND
16	4/13/18	7106.65	-0.5%	-12.3%	4	—	UPTREND
15	4/16/18	7156.28	+0.7%	+1.2%	5	Minor accumulation day	UPTREND
14	4/17/18	7281.10	+1.7%	+5.5%	6	Major Accumulation day	UPTREND
13	4/18/18	7295.24	+0.19%	-0.9%	7	—	—
12	4/19/18	7238.03	-0.8%	+5.7%	8	Minor distribution day	DOWNTREND
11	4/20/18	7146.13	-1.3%	-5.5%	9	—	UPTREND
10	4/23/18	7128.60	-0.3%	-9.7%	10	—	UPTREND
9	4/24/18	7007.35	-1.7%	+26.5%	11	Major Distribution day	DOWNTREND
8	4/25/18	7003.74	-0.05%	-5.0%	12	—	—
7	4/26/18	7118.68	+1.6%	+3.8%	13	Major Accumulation day	UPTREND
6	4/27/18	7119.80	+0.06%	-2.3%	14	—	—
5	4/30/18	7066.27	-0.8%	-4.3%	15	—	UPTREND
4	5/1/18	7130.70	+0.9%	-3.3%	16	—	DOWNTREND
3	5/2/18	7100.90	-0.4%	+11.8%	17	Minor distribution day	DOWNTREND
2	5/3/18	7088.15	-0.18%	+9.5%	18	—	—
1	5/4/18	7209.62	+1.71%	-12.7%	19	—	DOWNTREND

The CURRENT TREND column colors: **Green:** Uptrend. **Yellow:** Uptrend under Pressure. **Red:** Downtrend.

FOR INVESTORS IN INDIVIDUAL STOCKS

More detailed comments on market direction and technical analysis for individual stocks

FRIDAY: Two stocks I have been following broke out Thursday! And there is a good lesson to remember after the breakout news below.

- **Ferrari (RACE) broke out** after its earnings announcement this morning. Ferrari continued its consistent sales growth with +16% for the first quarter. What is more exciting is the company has great financial efficiency as shown in the 37% increase in earnings for the quarter. Ferrari's stock price has risen faster than the cost of its cars – 300% in the last two years.
 - **Thursday: RACE rose 4.1%, breaking out of a 10 week base.**
 - **Friday update: The race continues as Ferrari rose another 4.8%**
- **Spartan Motors (SPAR) popped up** at the open after early their morning earnings announcement. Then fell hard (17% off its opening high) for the next hour and a half.
 - **SPAR fell another 1.4% on Friday. Can there be any good news for SPAR? Yes!** With just one day of selling on Thursday, the volume lightened to 27% below average on Friday, indicating the profit takers may be finished and the buyers can continue to acquire the SPAR shares. I am watching for a second breakout. The financials are strong with EPS of 99 and Accumulation/Distribution of A-.

TWO IMPORTANT LESSONS TO REMINDER WHEN BUYING BREAKOUTS:

- 1) My guideline is to **NOT buy a new position in a stock within two weeks before its earnings release.**

Buying before the two week period on a good breakout, allows your stock price to rise and gives you a buffer in case the earnings announcement disappoints as SPAR did.

- 2) Wait till close to the end of the day to buy a breakout. You won't

know where the day will end when a stock skyrockets first thing in the morning.

I AM STILL CAREFULLY BUYING INDIVIDUAL STOCKS which are breaking out of good bases with high volume on the breakout day. Volume is the factor which is hard to find right now but I can wait! ----- With the current weakness in the market, I am buying smaller first bites. If you are having trouble finding enough good stocks to buy, consider adding the QQQ or another Uptrend-Index ETF. This is one place I put some of my money when I can't find the right stock at a buy point.

Remember:

CASH IS A POSITION.

The market diagnosis is UPTREND.

REMEMBER:

YOU ARE NOT SMARTER THAN THE MARKET

THE MARKET AND STOCKS CONTINUE IN THE DIRECTION THEY ARE GOING..... UNTIL THEY DON'T.

PROTECT YOUR PORTFOLIO WITH AN 8% STOP

CHOOSE YOUR STOP & LIVE BY IT – NO EXCUSES!

And you don't have to wait for your stock to fall to the stop. A concentration of distribution is a good reason to get out wherever it happens!

What to do now:

1. **WATCH YOUR INVESTMENTS CLOSELY:** Sell stalling and falling stocks quickly.
2. Do a quick **review of each stock you own every night.** Look for strength and weakness signals in the price-volume action, especially watching for distribution (signs of institutional selling)
3. **DON'T LOSE YOUR GAINS:** Sell any stock that is showing a concentration of distribution days. I sell more quickly in a Downtrend

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ARMCHAIR INVESTOR WEEKLY CLASS SCHEDULE

Join us for the ARMCHAIR INVESTOR classes.

Be my guest (FREE) if you have not visited in the last six months (guest seating limited, please be sure to register through the Meetup site listed below or a text or call to Charlotte.

Please register on the Meetup site so I will have a handout for you (25 pages of articles and [Link to registering for the Armchair Investor Meetup- CLICK HERE](#)

The 2018 ARMCHAIR INVESTOR classes schedule.

Pre-register please! Schedules change! See phone number below:

Mondays 6:00 – 8:00 p.m. Barnes & Noble at Royal & Preston (northeast corner), Dallas
Tuesdays 3:30 – 5:30 p.m. Barnes & Noble at Royal & Preston (northeast corner), Dallas
Wednesdays 10:00 am – noon, Barnes & Noble, on Beltline just east of Montfort, Addison

- **Guest attendance is limited to ensure class members get their full value. -**
- **Be sure to call to confirm we are having a class (we are occasionally on vacation) and have an open chair.**

Call or text me at 214-995-6702 to schedule your FREE visit (new visitors only) to an ARMCHAIR INVESTOR class.

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CALL OR TEXT CHARLOTTE HUDGIN AT 214-995-6702

Wishing you "Many Happy Returns,"

Charlotte Hudgin, 214-995-6702, Editor, the Armchair Investor

DISCLAIMER, "Buyer Beware" WARNING:

This newsletter shares the ideas I use in my investing. It is not investing advice but should be taken as education only. Your investment decisions are your responsibility as are the results. If you are not comfortable with or do not understand a strategy completely, I recommend that you paper-trade until you are successful and can sleep at night.

Questions may be submitted to: Editor@ArmchairInvestor.com
Some of your questions will be used in future newsletters.

Additional notes follow:

EXPLANATION OF TERMS FOR THE

MARKET ACTION OVER THE LAST 20 DAYS

Four weeks of price and volume action reveal much about the direction of the market and the strength of that movement.

		Price		Volume	
Healthy Uptrend Price-Volume Movement	Strong Action	Up	↑	↑	Up
	Weaker Action	Down	↓	↓	Down
Healthy Downtrend Price-Volume- Movement	Strong Action	Down	↓	↑	Up
	Weaker Action	Up	↑	↓	Down

The chart below identifies the **market direction** indicated by the Nasdaq's price and volume action for the last 20 days at two levels of significance.

ACCUMULATION/DISTRIBUTION COLUMN - TELLS YOU WHERE THE BIG MONEY IS GOING

The listing includes: the date, Nasdaq closing price and percent change of the Nasdaq price and volume.

- The next column identifies days that were **Major Accumulation** (serious UPTREND indicator) or **Major Distribution** (serious Downtrend indicator) using the 1% minimum rise or fall with higher volume.
- **Minor accumulation** and **minor distribution days** are also identified – days that moved 0.2% or more but less than 1%.

“CONSISTENT WITH”– THE SUBTLE, BUT TELLING MOVES

The last column is an UPTREND /Downtrend indicator.

Think of a healthy Uptrend. It will have many days where the index rises with increased volume.

But even in the most robust Uptrend, * not every day will be up. In any Uptrend, there will be some down days. If they have higher volume, then the day becomes a distribution day but if the volume is lighter (as frequently happens in an Uptrend), then the down day is NOT a distribution day. In fact, a drop on lighter 4747.62 volume says they market is NOT selling off heavily – good news and consistent with the Uptrend.

Using the Healthy UPTREND/Downtrend price and volume movement listed above.

- For example, if the Nasdaq closing price rose 0.7% and the volume rose 2% (up and up), that movement is “consistent with” the price-volume action of a Healthy UPTREND.
- If the price drops 0.5% and the volume rises 1.2% (down and up), that movement is “consistent with” the price-volume action of a Healthy Downtrend as indicated in the table above.
- Any index change less than + or – 0.3% or volume change less than + or – 1% has no “consistent with” notation. Price and volume movements that small is not strong enough to tell us about the market movement.

EXAMPLE OF ACCUMULATION AND DISTRIBUTION WITH EXPANDED EXPLANATION OF TERMS:

Today's Market Action with explanation						
2/5/16	Index Close	Index % Change	Volume % Change	Volume vs 50-day Avg	Accumulation or Distribution Day?	Current Trend: DOWNTREND Began 1/4/2015
Index	4363.14	-3.2%	+13.8%	+21.8%	Major Distribution	+11.3%
S&P500	1879.92	-1.9%	NYSE Volume		Neither	+6.6%
NYSE	9,390.33	-1.5%	-5.3%	+15.0%	Neither	+6.2%
DJIA	16,204.62	-1.3%			Neither	+5.5%

A **Major Accumulation Day**: Price RISES 1.0% or more and higher Volume than the day before
A **Minor accumulation Day**: Price RISES 0.2% or more and Volume is strong (either higher volume or is well-above average volume)

A **Major Distribution Day**: Price FALLS 1.0% or more and higher Volume than the day before.
A **Minor distribution Day**: Price FALLS 0.2% or more, Volume is strong (either higher volume or is well-above average volume)

A **Stalling minor distribution Day**: Only in an up-trending index or stock, price is FLAT or DOWN slightly compared to the day before, closing in the bottom half of the day's range and volume is heavier or about equal to the day before or strong compared to the past market. It's the price closing low in the day's range after an uptrend that is the key for this designation. Price close to flat and higher or consistent volume indicates the big money (institutions: mutual funds, banks, etc.) are gently selling, trying to sneak out so you won't notice.

** The "CURRENT TREND" column calculates how far each index has moved in the current trend assuming you purchased the index (which is not buyable) at the opening price on the day after the trend change signal.

- **When this column is GREEN, the index has moved in the direction of the market trend.**
- **HOWEVER, when this column is RED, the index change has fallen into negative territory (which could be a rise during a Downtrend)**

An **ACCUMULATION** day points at heavy buying by institutional money managers - the mutual funds, pension funds, banks, etc.
A **DISTRIBUTION** day points at heavy selling by institutional money managers.